for establishment in the Zone, which include 4 recently approved projects, with a tctal estimated investment of Rs. 205 crores and projected exports of Rs. 1708 crores over a period of 5 years from the commencement of commercial operations.

(c) to (e) : As developed area is currently available for allotment to units in Phase-I, the development of Phase II in VEPZ will be considered at the appropriate time.

Exchange Rate of Rupee

458. SHRIMATI GEETA MUKHERJEE:
SHRI V.V. RAGHVAN:
SHRI GEORGE FERNANDES:

Will the Minister of FINANCE be pleased to state:

(a) whether the real effective exchange rate of the rupee against the U.S. dollar has appreciated by 7 to 8 per cent in the last one year or so;

(b) whether this is the principal reason for a fall in India's export;

(c) if so, whether any steps are being taken to make the rupee reflect its real effective exchange rate;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ) : (a) The bilateral real exchange rate of the rupee against the US dollar is estimated to have appreciated by about 2 per cent in October 1997 compared with the level in October, 1996.

(b) The slowdown in export growth in recent periods could be attributed, *inter alia*, to the decline in world trade coupled with sluggishness in manufacturing goods prices in the global market, variation in cross currency exchange rates and deceleration in domestic industrial activities.

(c) to (e) The exchange rate of the rupee is determined by the market forces of demand and supply. The exchange rate developments are monitored continuously and measures are taken, as and when necessary, to maintain orderly market conditions as well as to ensure that the exchange rate of the rupee remains consistent with economic fundamentals.

Demand and Supply of Cements

459. SHRI KESHAB MAHANTA : Will the Minister of INDUSTRY be pleased to state:

(a) the total demand and supply of cement .in the country;

(b) whether the Government have identified cement as an "extreme focus" item for export; and

(c) the total cement exported during the last two years?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) The year-wise consumption and production of cement in the last 3 years is as under :—

(In Million tonnes)

Year	Production	Consumption
1994–95	62.35	60.67
1995–96	69.63	68.07
1996–97	76.22	74.39

(b) Yes, Sir,.

(c) The total export of cement and clinker during the last two years is as under:—

Year	*Export of Cement & Clinker* (In Million tonnes)
1995–96	2.4
1996–97	2.7

Bilateral Trade with Spain

460. SHRIMATI VASUNDHARA RAJE : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to expand bilateral trade with Spain;

(b) if so, the areas identified to expand trade between both the countries; and

(c) the details of expansion programme drawn up for 1997–98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH) : (a) It is Government's endeavour to expand bilateral trade with all trading partners, including Spain.

(b) The areas identified include marine products, computer software, electronic and engineering goods, mining products, leather and sports goods, marble and granite, coffee, tea, carpets, silk, agro-items, processed food and chemicals etc.

(c) The meetings of Indo-Spanish Joint Commission and Indo-Spanish Joint Business Council were held in May, 1997 in Madrid where the measures to expand bilateral trade and economic cooperation were identified which included exchange of trade delegations, participation in international trade fairs and dissemination of literature on India in Spain. Both the official and business delegations also visited Bilbao, a major port in